

## Message Text

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ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08  
FRB-03 INR-10 NSAE-00 USIA-06 TRSE-00 XMB-02  
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15  
STR-07 CEA-01 L-03 H-01 PA-01 /101 W  
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R 231811Z FEB 78  
FM AMEMBASSY LISBON  
TO AMEMBASSY MAPUTO  
INFO SECSTATE WASHDC 4840  
AMEMBASSY BISSAU  
AMEMBASSY PRAIA

C O N F I D E N T I A L LISBON 1394

E.O. 11652: XGDS-3  
TAGS: ECON EFIN PEPR PO MZ  
SUBJECT: MOZAMBIQUE BANK NATIONALIZATIONS

REFS: A) MAPUTO 15, B) LISBON 263

SUMMARY: JORGE SAMPAIO, HEAD OF THE GOP DELEGATIONSSENT  
TO MAPUTO TO DISCUSS RECENT GPRM BANK NATIONALIZATIONS,  
STATES THE DISCUSSIONS FOCUSED MAINLY ON BILATERAL  
ATTEMPTS TO INVESTIGATE THE DISAPPEARANCE OF LARGE  
SUMS FROM TWO OF THE AFFECTED BANKS. END SUMMARY.

1. PRELUDE: JORGE SAMPAIO, FORMER SECRETARY OF STATE  
FOR COOPERATION IN THE MINISTRY OF FOREIGN AFFAIRS AND HEAD  
OF THE GOP DELEGATION WHICH DISCUSSED THE GPRM NATIONAL-  
IZATION OF THE MOZAMBIKAN PRIVATE BANKING SECTOR IN  
MAPUTO IN EARLY FEBRUARY, LUNCHEDED WITH ME FEB 22.  
SAMPALIO SAID THAT CONTRARY TO PRESS REPORTS HERE, THE  
GPRM ACTION WAS NO UNEXPECTED BY THE GOP. THE GOP  
EMBASSY IN MAPUTO HAD BEEN REPORTING FOR SOME TIME  
THAT NATIONALIZATION WAS IMMINENT. SHORTLY AFTER THE  
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NATIONALIZATION WAS PUBLICLY ANNOUNCED, PRESIDENT EANES  
RECEIVED A PERSONAL LETTER FROM PRESIDENT MACHEL  
EXPLAINING THE GPRM DECISION AND INVITING A DELEGATION  
TO MAPUTO TO DISCUSS THE MATTER MARCHEL ALSO  
URGED FURTHER IMPLEMENTATION OF PORTUGUESE AID  
AGREEMENTS. EANES SEIZED WHAT HE SAW AS AN  
OPPORTUNITY TO STRENGTHEN BILATERAL RELATIONS, AND

RESPONDED WITH A PERSONAL LETTER TO MACHEL ACCEPTING THE DISCUSSIONS.

2. ISSUES: SAMPAIO SAID HIS TEAM'S DISCUSSIONS IN MAPUTO FOCUSED ON BILATERAL EFFORTS TO INVESTIGATE THE DISAPPEARANCE PRIOR TO THE GPRM ACTION OF LARGE SUMS FROM TWO OF THE AFFECTED BANKS, BANCO DO FOMENTO NACIONAL AND BANCO PINTO SOTTO E MAYOR. BANK RECORDS CLAIMED LARGE BALANCES WHICH IN FACT DID NOT EXIST. SAMPAIO SAID THAT BOTH SIDES SPENT LONG HOURS SCOURING INDIVIDUAL ACCOUNT RECORDS IN ATTEMPTS TO DISCOVER THE ORIGIN OF THE DISCREPENCIES. INVESTIGATIONS APPARENTLY WERE NOT CONCLUDED DURING THE FEBRUARY SESSIONS, SINCE THE GOP ACCEPTED AN INVITATION TO CONTINUE DISCUSSIONS IN MAPUTO IN ABOUT A MONTH.

3. MOZAMBICANS MORE COMPETENT: SAMPAIO, WHO MADE NUMEROUS TRIPS TO MAPUTO DURING 1975, SAID HE FOUND THE MOZAMBICANS INCREASINGLY COMPETENT AND PRAGMATIC, AND TERMED THEM TOUGH BUT FAIR NEGOTIATORS. SAMPAIO NOTED INCREASED COMMERCIAL ACTIVITY IN MAPUTO, WITH JAPANESE, AMERICAN AND EUROPEAN BUSINESSMEN.

4. MOZAMBIQUE'S FUTURE: SAMPAIO PERSONALLY BELIEVES THAT AN EARLY RHODESIAN SETTLEMENT IS THE KEY  
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TO THE SALVATION OF MOZAMBIQUE FOR THE WEST. GIVEN PROMPT SOLUTION TO THE RHODESIAN PROBLEM, SAMPAIO FELT THAT THE MOZAMBICANS WOULD CONTINUE ON THE PRAGMATIC COURSE EVIDENCE THUS FAR AND A MORE BALANCED POLITICAL ORIENTATION WOULD EVOLVE. HOWEVER, A LONG CONTINUATION OF THE WAR, WOULD PUSH THE MOZAMBICANS INTO THE COMMUNIST CAMP.  
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## Message Attributes

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**Decaption Date:** 01 jan 1960  
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**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
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**TAGS:** ECON, EFIN, PEPR, PO, MZ  
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